



# San Diego City Attorney **MICHAEL J. AGUIRRE**

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## NEWS RELEASE

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### **CITY ATTORNEY'S OFFICE WITHDRAWS CONFLICT OF INTEREST LAWSUIT, CITING ALL KEY BENEFIT ISSUES WILL BE HEARD IN NEXT WEEK'S PENSION CASE**

**San Diego, CA:** City Attorney Michael Aguirre announced today that all of the significant pension benefit issues in the *San Diego City Employees' Retirement System (SDCERS) v City of San Diego* case will be adjudicated in a trial court beginning next week, allowing him to withdraw a companion lawsuit, *People of the State of California v Lawrence Grissom*.

"Next Thursday we will have the opportunity to present our case before Superior Court Judge Jeffrey B. Barton," said City Attorney Michael Aguirre. "It is therefore only prudent to drop the companion lawsuit and concentrate the resources of the City Attorney's Office on next week's effort."

The Grissom lawsuit was filed in July 2005 and alleged conflict of interest violations by five former Board members of SDCERS who supported efforts by the City Council in 1996 and 2002 to underfund the pension system in exchange for increased benefits. The lawsuit also asked the court to set aside pension benefits that the City Attorney had determined were illegally granted.

Today, the City employees' pension plan is underfunded by \$1.7 billion. That figure does not include an additional \$1.4 billion in unfunded retiree healthcare.

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